

CHEMICAL AND BIOLOGICAL WEAPONS END-USERS/END-USES CHECKLIST

CUSTOMER NAME: _____
 COMPANY NAME: _____
 COUNTRY OF DESTINATION: _____
 ORDER #: _____
 DATE SCREENED: _____ COMPLETED BY: _____
 END-USE: _____

The purpose of this screen is to provide a step-by-step process to determine whether a license is required based on the chemical and biological weapons (CBW) prohibitions of Part 744.4 of the Export Administration Regulations.

Step 1: End-Users

<p><u>The Entity List</u> (Supplement No. 4 to Part 744; Section 744.10) Have you been informed by the Bureau of Industry and Security (BIS) as described in Section 744.4(b) that a license is required or is a license required by the terms of the Entity List? www.bis.doc.gov/Entities/Default.html</p>	<p>YES___ NO___</p>
<p>If the answer is "YES," a license is required. License Exceptions and NLR may not be used. If the answer is "NO," then proceed to the next question.</p>	
<p><u>Specially Designated Terrorists</u> (Section 744.13) <u>Designated Foreign Terrorist Organizations</u> (Section 744.14) <u>Specially Designated Persons</u> (Section 744.16) Is the customer/end-user listed on the Treasury Department's Office of Foreign Assets Control Listing of Specially Designated Nationals and Blocked Persons (Supplement No.3 to Part 764)? www.treas.gov/ofac/index.html</p>	<p>YES___ NO___</p>
<p>If the answer is "YES," a license is required. License Exceptions and NLR may not be used. See www.treas.gov/offices/enforcement/ofac/faq/index to determine whether to call OFAC's Compliance hotline. If the answer is "NO," then proceed to the next question.</p>	

STEP 2: Focus on Countries of Concern
--

<p>Do you know that a U.S. person participating in the design, construction, export or reexport of a whole plant to make chemical weapons precursors identified in ECCN 1C350. (Note: you may choose to list 1C350 precursors, attach a list, etc., to make this more transparent and a more streamlined review.)</p> <p>This applies to all countries EXCEPT to plants in the Australia Group member countries: Argentina, Australia, Austria, Belgium, Bulgaria*, Canada, Cyprus, Czech Republic, Denmark, Finland, France, Germany, Greece Hungary, Iceland Ireland, Italy, Japan, South Korea, Luxembourg, Netherlands, New Zealand, Norway, Poland Portugal, Romania, Slovakia, Spain, Sweden, Switzerland, Turkey, or the United Kingdom?</p> <p>IF "YES," a license is required. You may not use License Exceptions or NLR. IF "NO," proceed to the next question.</p>	<p>YES___ NO___</p>
<p>Do you know that the transaction involves a terrorist supporting country, Country Group E:1: Cuba, Iran, Iraq, Libya, North Korea, Syria or Sudan? (Supplement No. 1 to Part 740)</p> <p>If "YES," stop the transaction and contact your Export Administrator.</p>	<p>YES___ NO___</p>
<p>Do you know that the transaction involves a destination of concern, Country Group D:3: Afghanistan, Armenia, Azerbaijan, Bahrain, Belarus, Bulgaria*, Burma, China (PRC), Cuba, Egypt, Georgia, India, Iran, Iraq, Israel, Jordan, Kazakhstan, North Korea, Kuwait, Kyrgyzstan, Lebanon, Libya, Macau, Moldova, Mongolia, Oman, Pakistan, Qatar Russia, Saudi Arabia, Syria, Taiwan, Tajikistan, Turkmenistan, Ukraine, United Arab Emirates, Uzbekistan, Vietnam or Yemen? (Supplement No. 1 to Part 740.)</p> <p>If "NO," stop here. You are finished with this screen. A license is not required under Section 744.4. If "YES," proceed to Step 3.</p>	<p>YES___ NO___</p>

* Bulgaria is now an AG country, but is still listed as a D:3 Country of Concern.

STEP 3: CBW Applicability Checklist
--

The purpose of this checklist is to detect whether you are entering into activities where processes may be of greater CBW risk and to decide whether there are “Red Flags” that prompt you to proceed cautiously and inquire further.

A. Do you know that the end-user is involved in any of the following chemical or biological activities or industries:

chemical plants	YES___ NO___
petrochemical plant	YES___ NO___
petroleum	YES___ NO___
cosmetics production	YES___ NO___
food processing	YES___ NO___
glass, ceramic or porcelain production	YES___ NO___
mining operations	YES___ NO___
metal manufacturing	YES___ NO___
organic synthesis	YES___ NO___
paper manufacturing	YES___ NO___
plastic or rubber manufacturing	YES___ NO___
pharmaceuticals	YES___ NO___
insecticides or pesticides	YES___ NO___
semiconductor manufacturing	YES___ NO___
paint production	YES___ NO___
institutes of science and technology	YES___ NO___
conventional weapons and armaments research & development establishments	YES___ NO___
military entities	YES___ NO___

Continue with the Red Flags part of this step.

STEP 3: Red Flags.	Has the customer/end-user:	
provided evasive responses or is reluctant to provide an adequate explanation concerning: -the chemicals or biological agents to be produced with the equipment? -end-use of the chemicals or biological agents produced with the equipment?		YES___ NO___ YES___ NO___
been reluctant to explain sufficiently the chemical raw materials or biological agents to be used with the equipment being purchased?		YES___ NO___
ordered quantities excessive for the production capability of the end user?		YES___ NO___
made requests for excessive safety/security devices/measures in light of the stated end-use, or the customer's lack of familiarity with appropriate safety/security measures?		YES___ NO___
made requests to complete a partly finished project and/or will not provide license authorizations obtained for the part of the project already completed?		YES___ NO___
requested modification of a plant or equipment in an existing or planned facility that changes production capability significantly and could make the facility more suitable for the manufacture of chemical weapons, chemical weapon precursors or biological agents and weapons?		YES___ NO___
requested models of equipment or containers made or lined with nickel, hastelloy, monel and other high nickel content or which are airtight beyond the normal requirements for the stated end-use, especially when less expensive models are appropriate for the end use?		YES___ NO___
requested excessive confidentiality concerning final destination or details on equipment, materials or technical data to be delivered?		YES___ NO___
requested that the items be installed in: - an area with unusually strict security control (such areas may include but are not limited to: area close to a military-related facility, to which access is severely restricted; science and technology parks, or the facility is isolated from major population centers)? - an atypical location in light of the character of the equipment (e.g. milk pasteurization equipment that is not being installed near a dairy or baby food distribution/packaging center)?		YES___ NO___ YES___ NO___
refused personnel contractor or subcontractor access to parts of the plant other than those involved in the contract?		YES___ NO___
divided the contract for the construction or renovation of a plant without furnishing adequate information about the complete scope of the project, the final destination or proposed use of the plant?		YES___ NO___
Are there other "red flag" indicators such as those noted in the Diversion Risk Element? www.bis.doc.gov/Enforcement/redflags.htm		YES___NO___

If the answers to these are "NO," or you were able to resolve the red flags, you have completed this checklist and a license is not required under Section 744.4

If the answer to any of these questions is "YES," and cannot be adequately resolved proceed to STEP 4.

STEP 4: CBW Activities of Concern
--

Do you know that your items will be used in the design, development, production, stockpiling, or use of chemical or biological weapons in or by a country listed in Country Group D:3, listed in Step 2. (See Supplement No. 1 to part 740 of the EAR).	YES___ NO___
---	--------------

Even if an export, reexport or transfer does not involve a restricted CBW end-use of concern, a license may be required for U.S. persons (including foreign branches of U.S. companies) performing certain support activities.

Are you aware of any:

U.S. person involved in a transaction where that person knows that such item will be used in the design, development, production, stockpiling, or use of CBW in or by a country listed in Country Group D:3, Step 2?	YES___ NO___
--	--------------

U.S. person involved in support activities including financing, transportation, and freight forwarding by which a person facilitates an export, reexport or transfer without being the actual exporter or reexporter?	YES___ NO___
---	--------------

U.S. person who performs any contract, service or employment knowing it will assist in the design, development, production, stockpiling, or use of CBW in or by a country listed in Country Group D:3, Step 2?	YES___NO___
--	-------------

If "YES," to any question in Step 5, contact your Export Administrator; a license is required.

If "NO," you have completed the CBW end-users/end-uses checklist. A license is not required under Section 744.4 or 744.6.